



City of Blaine

Economic Development Authority

July 7, 2025 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

The purpose of the Blaine Economic Development Authority is to increase the City's commercial/industrial tax base, provide employment opportunities, undertake redevelopment to enhance and maintain neighborhood economic stability, and address special needs, such as senior housing. As authorized under Minnesota State statutes, the Blaine City Council also serves as the Blaine Economic Development Authority.

AGENDA

1. Call to Order

2. Roll Call

3. Approval of Minutes

- 3.1.** 2025-157 Approval of the June 2, 2025 Economic Development Authority (EDA) Minutes.

Sponsors: Erik Thorvig, Acting City Manager/Community Development Director

4. New Business

- 4.1.** RES 25-107 Resolution Appointing Interim City Manager as the Interim Executive Director of the EDA

Sponsors: Erik Thorvig, Acting City Manager/Community Development Director

- 4.2.** RES 25-76 Resolution Awarding Heat Tape Installation Contract

Sponsors: Elizabeth Showalter, Community Development Specialist

5. Old Business

6. Adjournment



City of Blaine

Economic Development Authority

June 2, 2025 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order

The meeting was called to order at 8:28PM by President Sanders followed by the Roll Call.

2. Roll Call

PRESENT: President Tim Sanders, Commissioners Terra Fleming, Chris Ford, Leslie Larson, Chris Massoglia, Tom Newland, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Assistant Community Development Director Sheila Sellman; Police Captain Mark Boerboom; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Director of Engineering Dan Schluender; Community Development Specialist Elizabeth Showalter; and City Clerk Catherine Sorensen.

3. Approval of Minutes

3.1. 2025-134 Approval of the April 7, 2025, Economic Development Authority (EDA) Minutes.

Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Robertson, seconded by Commissioner Newland, that the minutes of April 7, 2025, be approved.

Motion adopted unanimously.

4. Public Hearing

- 4.1. RES 25-80** Resolution Relating to the Sale of Properties Owned by the Blaine EDA at 9021 University Avenue NE, Blaine, MN 55434, 20-90th Lane NE, Blaine, MN, 55434, and 9011 University Avenue NE, Blaine, MN 55434
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated the city of Blaine Economic Development Authority (EDA) owns three parcels at 90th Lane and University Avenue. The parcels are 9011 University Avenue, 9021 University Avenue and 20-90th Lane. The parcels total 2.15 acres. The EDA acquired the parcels in separate real estate transactions in 2008 and 2012. The total acquisition costs were \$1,280,000. The parcels contained a gas station and retail building which have since been demolished. The EDA acquired the properties in anticipation of redevelopment of the entire commercial area north of 89th Avenue and east of University Avenue. The building to the south was mostly vacant for many years after K-Mart closed. Several years ago, the building was remodeled and occupied by various tenants. With the investment of this building, a larger redevelopment of the area is not anticipated. Therefore, the EDA could look at selling property for development on a smaller scale.

Mr. Thorvig reported Hedberg Homes approached staff last fall about a townhome project on the subject property. The city council discussed the proposal at the November 4, 2024, workshop and supported the developer exploring the concept further. The developer brought the revised plan back to workshop on May 5, 2025, with council feedback in support of the townhome project and selling the property. The developer offered \$260,000 for the property (\$26,000/unit). A closed session was held by the city council to discuss the asking price. The buyer is willing to pay \$270,000 (\$27,000/unit). The purchase agreement reflects this price. Staff requested the EDA authorize the sale of the lots at 98021 University Avenue, 20-90th Lane, and 9011 University Avenue.

President Sanders opened the public hearing at 8:32PM.

There being no public input, President Sanders closed the public hearing at 8:33PM.

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adopt a Resolution Relating to the Sale of Properties Owned by the Blaine EDA at 9021 University Avenue NE, Blaine, MN 55434, 20-90th Lane NE, Blaine, MN, 55434, and 9011 University Avenue NE, Blaine, MN 55434.

Commissioner Massoglia asked for the amount of revenue received for the billboard every year. Mr. Thorvig estimated the city received \$4,000 annually.

Motion adopted 6-1 (Commissioner Massoglia opposed).

5. New Business

- 5.1. RES 25-75** Resolution for a Modification to the Interest Rate Buydown Program
Sponsors: Elizabeth Showalter, Community Development Specialist

Community Development Specialist Showalter stated the city receives Local Affordable Housing Aid (LAHA) from the Minnesota Department of Revenue for use on eligible affordable housing projects and program. The funds are transferred to the EDA, which is currently utilizing funds for down payment assistance, deferred loans for accessibility, and an interest rate buydown through a forward commitment with Refined Lending. Additional funds are being set aside for an accessibility audit and grant program and for manufactured home replacement. The EDA approved the forward commitment with Refined Lending on September 16, 2025, with an income limit of 80% Area Median Income (AMI). LAHA requires that homeownership-related expenditures prioritize households at or below 80% AMI and can serve households up to 115% AMI. Due to the slow utilization of the forward commitment, staff is recommending increasing the income limit to 100% AMI. Loan products with reduced interest rates are available through FHA/VA and the Home Ready/Home Possible program offered by Fannie Mae for households at 80% AMI. The interest rate buy down will offer the following interest rates:

- 80% AMI - Conventional Loan: 6% rate, 6.239% APR
- 100% AMI - Conventional Loan: 6.375% rate, 6.624% APR
- 80% AMI - FHA Loan: 5.75% rate, 6.175% APR

Ms. Showalter explained the income limit for 100% AMI is \$132,400 and 80% AMI is \$105,360 for the Ready product. FHA income limits will continue to be based on household size adjusted AMI, which reduces the income limit for households smaller than four. Staff is also recommending increasing the purchase price limit to \$500,000 to allow for the purchase of a broader range of houses since the lower-cost housing is in short supply in the city. Additionally, the EDA is asked to authorize staff to execute a forward commitment for up to \$40,000 if the existing forward commitment is exhausted prior to September 30, 2025.

Moved by Commissioner Massoglia, seconded by Commissioner Newland, to adopt a Resolution for a Modification to the Interest Rate Buydown Program.

Commissioner Massoglia offered his support for the program and suggested the city consider increasing the amount offered through other Front Door programs in order to make them more accessible to Blaine residents.

Motion adopted unanimously.

- 5.2.** RES 25-87 Resolution Approving the Issuance and Sale of Conduit Recreational Facility Revenue Refunding Notes, Series 2025 and Authorizing the Execution of Documents Relating Thereto (National Sports Center Project)
Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated the National Sports Center (NSC) has requested the City of Blaine/EDA act as the conduit debt issuer of a recreational revenue note not to exceed \$6,000,000. Staff provided further information on the conduit bonds and noted the EDA should only consider action on this item if the corresponding resolution was authorized by the City Council at their meeting earlier in the evening.

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adopt a Resolution Approving the Issuance and Sale of Conduit Recreational Facility Revenue Refunding Notes, Series 2025 and Authorizing the Execution of Documents Relating Thereto (National Sports Center Project).

Motion adopted unanimously.

6. Old Business

Mr. Thorvig provided an update on the social media posts for Blaine businesses during the month of May, which was small business month.

7. Adjournment

Moved by Commissioner Robertson, seconded by Commissioner Massoglia, to adjourn the meeting at 8:40PM.

Motion adopted unanimously.



City of Blaine Staff Report

File Number: RES 25-107

Agenda Date	Status
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July 7, 2025

In Control	File Type
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Economic Development Authority

Resolution

New Business - Erik Thorvig, Acting City Manager/Community Development Director

Agenda Item # 4.1

Resolution Appointing Interim City Manager as the Interim Executive Director of the EDA

Executive Summary

Background

On June 17, 2025, Community Development Director Erik Thorvig, was appointed as the interim city manager by the City Council upon the retirement of the current city manager, effective July 3, 2025. The city manager also acts as the executive director for the Blaine Economic Development Authority and is authorized to execute necessary agreements related to expenditures, purchase agreements, etc,. An action is required by the EDA to appoint Mr. Thorvig as the interim executive director.

Strategic Plan Relationship

Not applicable.

Board/Commission Review

Not applicable.

Financial Impact

Not applicable.

Public Outreach/Input

Not applicable.

Staff Recommendation

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 25-107

Resolution Appointing Interim City Manager as the Interim Executive Director of the EDA

WHEREAS, the Blaine Economic Development Authority of the City of Blaine has duly organized in accordance with Minnesota Statutes; and

WHEREAS, to provide for the operation of the organization, the position of Executive Director has been established; and

WHEREAS, the city manager duly acts as the executive director for the EDA; and

WHEREAS, effective July 3, 2025, Erik Thorvig will be the interim city manager.

NOW THEREFORE, BE IT RESOLVED, that the Blaine Economic Development Authority hereby, effective immediately, appoints Erik Thorvig as the interim EDA executive director.

PASSED by the Blaine Economic Development Authority this 7th day of July, 2025.



City of Blaine Staff Report

File Number: RES 25-76

Agenda Date	Status
July 7, 2025	
In Control	File Type
Economic Development Authority	Resolution

New Business - Elizabeth Showalter, Community Development Specialist

Agenda Item # 4.2

Resolution Awarding Heat Tape Installation Contract

Executive Summary

The EDA received \$60,000 in COVID Relief Community Development Block Grant funding through Anoka County for a heat tape installation program. After a competitive bidding process, staff recommends contracting with Bob's Mobile Home Repair Service.

Background

Anoka County received an allocation of COVID Relief Community Development Block Grants (CDBG - CV) in 2020. The funds can be used for projects or services that meet a CDBG National Objective and prevent, prepare for, and respond to coronavirus. Funds must be spent by March 2026, or returned to the federal government.

The EDA was awarded \$60,000 for a heat tape installation program. Heat tape is a heating cable wrapped around water lines to prevent freezing. It has an approximately 5-year life on manufactured homes and reinstallation and maintenance are key to preventing frozen water lines in the winter. The program met the CDBG-CV requirements by providing consistent access to running water, which prevents the spread of respiratory disease, and serving low to moderate income households. The EDA accepted the funds on February 19, 2025.

Due to the purchasing requirements associated with the federal CDBG program, the EDA will enter into a contract with a vendor to complete all the installations, rather than individual homeowners entering into contracts with their own vendors, as is typical for other existing home repair programs. Staff is utilizing this as a pilot program to determine whether this method of program design is an effective and efficient way to utilize CDBG for home repair programs.

Staff released a bid solicitation which was sent directly to four mobile home repair vendors and advertised on the City and League of Minnesota Cities websites. Staff received inquiries from two

vendors, and one vendor submitted a response.

Bob's Mobile Home Repair Service was the sole respondent and had positive references from a home installer and a park manager in the City. The grant application budgeted \$2,000 per heat tape installation and the respondent bid \$1,500 per installation (including water riser). The bid package also included an hourly rate for work not covered under the standard specifications, which was bid at \$60/hour. The vendor will subcontract an electrician if necessary for installation of outlets or connection of hard-wired heat tape. EDA staff will review the pricing of electrical work and the EDA reserves the right to separately contract for electrical work if pricing exceeds industry standard. Electrical work, if needed, is expected to be less than \$10,000, which allows for open market negotiation with department head approval based on the purchasing policy.

Strategic Plan Relationship

Utilization of CDBG-CV funds increases non tax revenues.

Board/Commission Review

Not applicable.

Financial Impact

CDBG-CV will fully fund the program which has no matching requirement. Administration of the program can be completed by existing staff.

Public Outreach/Input

Staff has heard from residents over the past several years that are seeking assistance with heat tape installation or maintenance, which is poorly addressed by existing grant and loan programs.

Staff Recommendation

By motion, adopt the resolution.

Attachment List

1. Bid - Bobs Mobile Home Repair Service



City of Blaine

Signature Copy

Resolution: RES 25-76

Resolution Awarding Heat Tape Installation Contract

WHEREAS, Anoka County has CDBG - CV funds available for use on projects that meet HUD requirements; and

WHEREAS, the Anoka County Housing and Redevelopment Authority awarded \$60,000 in CDBG - CV funds to the Blaine EDA at its January 27, 2025, meeting; and

WHEREAS, the EDA accepted said funds on February 19, 2025; and

WHEREAS, Bob's Mobile Home Repair Service was the sole respondent to the Bid Advertisement and the submitted bid was less than the budgeted amount; and

NOW THEREFORE, BE IT RESOLVED, that the Blaine Economic Development Authority hereby accepts the bid from Bob's Mobile Home Repair Service and authorizes the President and Executive Director to enter into a contract for an amount not to exceed \$60,000.

PASSED by the Blaine Economic Development Authority this 7th day of July, 2025.

Bid Form

Contractor Name: BOB'S MOBILE HOME REPAIR SERVICE

Item	Specification	Cost
Per unit charge for heat tape	Include trip charge, end caps, power supply kit, and any other materials required for installation as described above.	1400.00
Heat Tape Installation on Water Risers (lump sum)	Metal braided heat tape and insulation as described above. A permit is required for heat tape installation on water risers if digging.	100.00
Heat Tape Installation on water laterals (per linear foot of water lateral)	Metal braided heat tape and insulation as described above.	Included w/ UNIT CHARGE
Hourly rate for installation or repair to skirting or insulation and unusual circumstances not addressed by the above items.	Additional materials charges are expected by the EDA and reasonable costs for materials will be determined with mutual agreement by the EDA and vendor prior to work. A minimum of 1 hour of labor will be charged for any work not listed in the above line items. Any labor beyond the first hour will be charged in half hour increments. Contractor is responsible for subcontracting any necessary electrical work, which will be paid based on a mutually agreed upon pricing structure. EDA reserves the right to separately contract for electrical services if a mutually acceptable pricing structure cannot be agreed upon.	60.00

40 HEAT TAPES @ 1500.00 ALL MAT + LABOR INCLUDED

60,000.00

Signature

Printed Name

Title